## **REMARKS/ARGUMENTS**

Favorable reconsideration of this application, as presently amended and in light of the following discussion, is respectfully requested.

Claims 1-2, 4-7, 9-12, 14-17, and 19-20 are pending in this application. Claims 1, 6, 11 and 16 are amended by the present amendment to correct cosmetic matters of form noted in the outstanding Official Action. No new matter is presented.

In the outstanding Office Action, Claims 1-2, 4-7, 9-12, 14-17 and 19-20 were rejected under 35 U.S.C. §112, second paragraph; and Claims 1-2, 4-7, 9-12, 14-17 and 19-20 were rejected under 35 U.S.C. § 103(a) as unpatentable over Sharp et al. (U.S. Patent 6,263,317, hereinafter "Sharp"), in view of Hafner et al. (U.S. Patent 5,893,076, hereinafter "Hafner") and further in view of Foster et al. (U.S. Patent No. 6,493,678, hereinafter "Foster").

In response to the rejection of Claims 1-2, 4-7, 9-12, 14-17 and 19-20 under 35 U.S.C. § 112, second paragraph, independent Claims 1, 6, 11 and 16 are amended as recommended in the outstanding Official Action. Accordingly, Applicants respectfully requests that the rejection of Claims 1-2, 4-7, 9-12, 14-17 and 19-20 under 35 U.S.C. § 112, second paragraph, be withdrawn.

In response to the rejection of Claims 1-2, 4-7, 9-12, 14-17 and 19-20 under 35 U.S.C. §103(a), Applicants respectfully submit that independent Claims 1, 6, 11 and 16 recite novel features clearly not taught or rendered obvious by the applied references. Specifically, Applicants respectfully submit that <u>Foster</u> fails to teach or suggest the claimed features for which it is asserted as the secondary reference under 35 U.S.C. § 103.

Independent Claim 1 relates to a distribution management device which receives first order information formed based on a purchase request received over a first sales channel using a network, and second order information formed on the basis of a second purchase

request received over a sales channel which does not use a network. The distribution management device controls the stock of the merchandise to be distributed to the first and second sales channels based on the received first and second order information.

Independent Claim 1 further recites, in part, that the distribution management device comprises:

...means for instructing a supplier of said merchandise to supply the merchandise based on the actual sales condition by generating and transmitting a stock order condition data to the supplier, said order condition data including sales method..., wherein

said order condition data, which includes the sales method, indicates through which of the first sales channel and the second sales channel a purchase request was received.

Independent Claims 6, 11 and 16, while directed to alternative embodiments, recite substantially similar features. Therefore, the arguments presented below are applicable to each of independent Claims 1, 6, 11 and 16.

As described, in an exemplary embodiment at Fig. 12 and p. 47 of the specification, the sales method (66B) field in the stock order condition data indicates whether the purchase request was received via a retail store (e.g., second sales channel), the web (e.g., first sales channel), etc.

The Official Action rejected Claims 1-2, 4-7, 9-12, 14-17 and 19-20 under 35 U.S.C. § 103 as unpatentable over Sharp, Hafner and Foster. The Official Action cites the combination of Sharp and Hafner as disclosing Applicants' invention with the exception of the sales method order condition data indicating which of the first sales channel and second sales channel received a purchase request. The Official Action cites Foster as disclosing this claimed feature and states that it would have been obvious to one of ordinary skill in the art at the time the invention was made to combine the cited references to arrive at Applicants'

claims. Applicants respectfully traverse this rejection as <u>Foster</u> fails to teach or suggest the claimed features which is inserted as a secondary reference under 35 U.S.C. § 103.

Foster describes a merchandising system that includes a distribution editor to assign distribution channels through which products will be sold, and with various other tools to classify and assign parameters to products to be distributed.<sup>1</sup>

Foster, however, fails to teach or suggest generating and transmitting stock order condition data wherein "said order condition data, which includes the sales method, indicates through which of the first sales channel and the second sales channel a purchase request was received," as recited in amended independent Claims 1, 6, 11 and 16.

In addressing this claimed feature, the Official Action relies on col. 5, lines 41-48 of Foster. This cited portion of Foster describes that the distribution channel editor (40), via the channel menu (42), allows the user to categorize the distribution channels through which a product will be sold. For example, the distribution channels may be retail, wholesale, Internet, etc. Thus, Foster allows a user to classify distribution channels but fails to teach or suggest that such information is reflected in order condition data that indicates through which of a first sales channel and a second sales channel a purchase request is received.

P. 4 of the Official Action states that it would have been obvious to one of ordinary skill in the art at the time of the invention to modify Sharp and Hafner to include Foster's feature of setting distribution channels "to allow the user to recognize the brand distribution channels through which the product will be sold." Thus, the Official Action emphasizes the description in Foster that the distribution channel editor (40) simply allows the user to recognize the brand distribution channels through which the product will be sold, not the distribution channels through which a product has already been sold, or through which a purchase request has been received.

<sup>&</sup>lt;sup>1</sup> Foster, Abstract.

Therefore, Foster fails to teach or suggest generating and transmitting stock order condition data which includes a sales method wherein "said order condition data, which includes the sales method, indicates through which of the first sales channel and the second sales channel a purchase request was received," as recited in amended independent Claims 1, 6, 11 and 16. Instead, Foster simply describes that the user is able to set the distribution channel through which the product will be sold. Further, as admitted in the outstanding Official Action, the combination of Sharp and Hafner fails to teach or suggest this above-noted claimed feature.

Accordingly, Applicants respectfully request that the rejection of Claims 1, 6, 11 and 16 under 35 U.S.C. § 103(a) be withdrawn. As Claims 2, 4, 5, 7, 9, 10, 12, 14, 15, 17, 19 and 20 depend from the above-noted independent claims, Applicants respectfully submit that these claims also patentably define over <u>Hafner</u> and, <u>Sharp</u>, and/or <u>Foster</u>.

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Consequently, in light of the foregoing comments, it is respectfully submitted that the invention defined by Claims 1-2, 4-7, 9-12, 14-17 and 19-20 is definite and patentably distinguishing over the applied references. The present application is therefore believed to be in condition for formal allowance and an early and favorable reconsideration of the application is therefore respectfully requested.

Respectfully submitted,

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